



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

DEC 21 2018

REPLY TO THE ATTENTION OF

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kim Myers, Environmental Manager
Amsted Rail
3900 Bixby Road,
Groveport, Ohio 43125

Re: Notice and Finding of Violation
Amsted Rail
Groveport, Ohio

Dear Mr. Myers:

The U.S. Environmental Protection Agency is issuing the enclosed Notice of Violation (NOV)/ Finding of Violation (FOV) to Amsted Rail (you) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). Based on available information, we find that you are in violation of your federally enforceable permit-to-install and your Title V permit at your Groveport, Ohio facility.

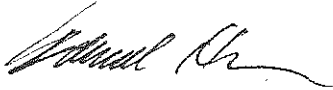
Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on our findings, any efforts you have taken to comply, and the steps you will take to prevent future violations. In addition, to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is David Sutlin, Air Enforcement and Compliance Assurance Branch, whom you may contact at (312) 353-8990. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edward Nam', with a stylized flourish at the end.

Edward Nam
Director
Air and Radiation Division

cc: Kelly Toth, APC Manager for Central District Office, OEPA
James Kavalec, Environmental Manager, Division of Air Pollution Control, OEPA
Robert Hodanbosi, APC Division Chief, Ohio EPA – DAPC

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

**Amsted Rail
Groveport, Ohio**

Proceedings Pursuant to
Section 113(a) of the
Clean Air Act, 42 U.S.C.
§ 7413(a)

)
)
) **NOTICE AND
FINDING OF VIOLATION**
)

) **EPA-5-19-OH-04**
)
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NOTICE AND FINDING OF VIOLATION

Amsted Rail owns and operates a steel foundry at 3900 Bixby Road, Groveport, Franklin County, Ohio (the Facility). Operations at the Facility include slag handling with storage piles.

The U.S. Environmental Protection Agency (EPA) is issuing this Notice and Finding of Violation (NOV/FOV) under Section 113(a) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a). Based on available information and as explained below, EPA finds that Amsted Rail is in violation of the Facility's permit-to-install and the Facility's Title V permit as follows:

Regulatory Authority

Ohio SIP

1. EPA approved the Ohio Administrative Code (OAC) Rule 3745-31-05 as part of the federally enforceable state implementation plan (SIP) for Ohio on February 20, 2013, with a federal effective date of March 22, 2013. 78 Fed. Reg. 11748.
2. OAC Rule 3745-31-05(A)(3) states that the director shall issue a permit-to-install or a permit-to-install and operate (PTIO) on the basis of the information appearing in the application, or information gathered by or furnished to the Ohio Environmental Protection Agency (Ohio EPA), or both, if the director determines that the installation, modification, or operation of the air contaminant source will employ best available technology (BAT).
3. OAC Rule 3745-31-05(D) states that "[t]he director may impose such special terms and conditions as are appropriate or necessary to ensure compliance with the applicable laws and to ensure adequate protection of environmental quality. Special terms and conditions necessary to ensure compliance with requirements mandated by the federal Clean Air Act or regulations promulgated by the administrator thereunder, include synthetic minor emissions unit terms and conditions....Such terms and conditions shall be federally enforceable and may restrict the stationary source's potential to emit below major source thresholds..."

Permits to Install

4. Ohio EPA issued to the Facility a Permit to Install (No. PTI-01-08357) effective April 12, 2001 (2001 PTI) pursuant to Ohio's SIP-approved permit program, which established conditions for slag handling, emission unit F006.
5. Condition I.A.11. of the 2001 PTI states that "[a]s specified in OAC Rule 3745-31-05, all new sources must employ Best Available Technology (BAT). Compliance with the terms and conditions of this permit will fulfill this requirement."
6. Condition III.A.I.1. of the 2001 PTI states that "[v]isible fugitive particulate emissions from any fugitive dust source during material handling shall not exceed 20% opacity, as a three-minute average"
7. Ohio EPA issued to the Facility a Permit to Install (No. 01-12147) effective September 8, 2008 (2008 PTI) pursuant to Ohio's SIP-approved permit program, which modified conditions for emission units P901 and P902, Electric Arc Furnace #1 and Electric Arc Furnace #2, respectively (EAFs).
8. Condition C.1.b(1)f. of the 2008 PTI states that to achieve the status of a synthetic minor to avoid non-attainment new source review, "[t]he combined fugitive emissions from P901 and P902 shall not exceed 58.0 tons PM10 (particulate matter less than or equal to ten micrometers)/yr,"

Title V Permit

9. Title V of the CAA, 42 U.S.C. § 7661-7661f, establishes an operating permit program for major sources of air pollution.
10. In accordance with Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), EPA promulgated regulations establishing the minimum elements of a Title V permit program to be administered by any air pollution control agency. *See* 57 Fed. Reg. 32259 (July 21, 1992). Those regulations are codified at 40 C.F.R. Part 70.
11. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), provides that each state must submit to EPA a permit program meeting the requirements of Title V.
12. On August 15, 1995, EPA approved the State of Ohio operating permit program pursuant to Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), with an effective date of October 1, 1995. 60 Fed. Reg. 42,045.
13. The Ohio Environmental Protection Agency (OEPA) issued a Part 70 Operating Permit (P0103976) to the Facility on January 19, 2011, which became effective on February 9, 2011 (Title V Permit).

14. Condition C.4.b(1)a. of the Title V Permit incorporates the opacity standard for slag handling from the 2001 PTI and states that “[v]isible [particulate emissions] of fugitive dust from screening, conveying and loading of slag shall not exceed 20% opacity, as a 3-minute average”

15. Condition C.11.b(1)f. of the Title V Permit incorporates the fugitive PM₁₀ limit for the EAFs from the 2008 PTI and states that “[t]he combined fugitive emissions from P901 and P902 shall not exceed 58.0 tons PM₁₀/yr” pursuant to OAC Rule 3745-31-05(D).

16. The Title V Permit establishes conditions for the following emissions unit groups:

- a. Cope and Drag Cleaners – P002, P003 (Cleaners);
- b. Hot Wheel Grinders #1, #2, & #3 – P004, P005, P006 (Grinders); and
- c. Wheel Cleaner, Peener & Chamfer – P017, P018, P022 (WCPC).

17. Condition C.9.c(1) of the Title V Permit states that for the Cleaners, “[t]he pressure drop across baghouse 7 and 10 serving these emissions units shall be maintained within the range of 3 to 10 inches of water while the emissions unit is in operation.”

18. Condition C.13.c(1) of the Title V Permit states that for the Grinders “[t]he pressure drop across baghouse 17 serving these emissions units shall be maintained within the range of 3 to 11 inches of water while the emissions unit is in operation.”

19. Condition C.15.c(1) of the Title V Permit states that for the WCPC, “[t]he pressure drop across baghouse 5 serving these emissions units shall be maintained within the range of 4 to 10 inches of water while the emissions unit is in operation.”

20. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.

21. 40 C.F.R. § 70.6(b)(1) provides that all terms and conditions in a Title V permit are enforceable by EPA.

Relevant Factual Background

22. Amsted Rail is the owner and operator of the Facility.

Excess Emissions from Slag (Material) Handling Operations

23. EPA inspectors conducted a partial inspection of the Facility on July 12, 2016.

24. On July 12, 2016, EPA inspectors conducted opacity observations in accordance with EPA Method 9 of the conveyance of hot slag to a staging area outside the melting shop building (July 12 Observations).

25. During the July 12 Observations, EPA observed opacity exceeding 20 percent, using a 3-minute average, for the following sets of observations:

- a. 10:16-10:19 am (22.5%);
- b. 10:24-10:27 am (26.3%);
- c. 10:27-10:30 am (23.8%); and
- d. 10:30-10:33 am (23.8%).

26. On March 15, 2018, EPA met with representatives of Amsted Rail, and Amsted Rail verified that the conveyance of hot slag to the staging area outside the melting shop building is considered part of slag (material) handling operations.

Excess Emissions from the EAFs

27. EPA conducted inspections of the Facility on February 19, 2015 and December 15, 2015. During these inspections, EPA observed that the capture and control devices at the EAFs consist of side draft hoods that capture and control emissions during melting. EPA observed no capture and control devices that capture and control emissions during charging and tapping.

28. According to the Summary of Factors Affecting Compliance by Ferrous Foundries, Volume I-Text Final Report (EPA-340/1-80-020) Table 5-1, the range of capture efficiency of a side draft hood during melting is 90 – 100%, with the typical maximum being 99%.

29. In a letter dated May 30, 2017, Amsted Rail provided EPA with the duration of each stage of the furnace cycle.

30. Using the information in Paragraph 27– 29, EPA calculated a capture efficiency that accounts for all stages of the furnace cycle.

31. On March 30, 2018, EPA issued an information request to the Facility under Section 114 of the CAA (Section 114 Information Request). The information request required, among other things, that Amsted conduct performance testing to measure the PM₁₀ mass emission rate at the baghouse controlling emissions from EAFs (P901 and P902) and to measure the PM₁₀ control efficiency of the baghouse.

32. On May 7, 2018, in response to the Section 114 Information Request, Amsted Rail provided the annual melt in tons per year for 2014 – 2017 and PM₁₀ stack emissions factors in its annual emission inventory calculation of 0.193 pounds per ton for 2013 – 2014 and 0.114 pounds per ton for 2016 - 2017.

33. On June 26, 2018, Amsted conducted performance testing pursuant to the Section 114 Information Request (2018 Performance Test). On July 26, 2018, Amsted Rail provided to EPA a report dated July 24, 2018, summarizing the results of the 2018 Performance Test. The 2018 Performance Test measured a PM₁₀ control efficiency of 98.7%.

34. Using the information in Paragraph 30, 32, and 33, above, EPA calculated an annual PM₁₀ combined fugitive emission rate from the EAFs in excess of 58 tons per year for 2014, 2015, 2016, and 2017.

Baghouse Pressure Drop Outside the Permitted Limits

35. On May 18, 2018, in response to the Section 114 Information Request, Amsted Rail provided the baghouse pressure drop readings for those emission units with permitted differential pressure limits, from January 1, 2013 through March 29, 2018.

36. The table below indicates deviations from permitted pressure drop limits, based on the information described in Paragraph 365:

Emissions Unit	Permitted Pressure Drop Limits	Reporting Period	Deviations (percent of days reported in the period)
Cleaners	3" – 10" water column	2 nd half 2013	22%
		1 st half 2017	5%
		2 nd half 2017	7%
Grinders	3" – 11" water column	2 nd half of 2014	13%
WCPC	4" – 10" water column	2 nd half of 2014	5%

Alleged Violations

Excess Emissions from Slag (Material) Handling Operations

38. On July 12, 2016, Amsted Rail exceeded the material handling visible fugitive particulate emissions limit of 20 percent, as a three-minute average, in violation of Condition III.A.I.1. of the 2001 PTI and Condition C.4.b(1)a. of the Title V Permit.

Excess Emissions from the EAFs

39. Amsted Rail exceeded the EAFs' combined fugitive PM₁₀ limit of 58 tons per year in 2014, 2015, 2016, and 2017, in violation of Condition C.1.b(1)f. of the 2008 PTI and Condition C.11.b.1.f. of the Title V Permit.

Baghouse Pressure Drop Outside the Permitted Limits

40. Amsted Rail operated outside the baghouse pressure drop limits for the Cleaners from July to December, 2013, and from January to December, 2017, in violation of Condition C.9.c(1) of the Title V Permit.

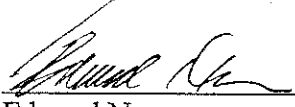
41. Amsted Rail operated outside the baghouse pressure drop limits for the Grinders from July to December, 2014, in violation of Condition C.13.c(1) of the Title V Permit.

42. Amsted Rail operated outside the baghouse pressure drop limits for the WCPC from July to December, 2014, in violation of Condition C.15.c(1) of the Title V Permit.

Environmental Impact of Violations

43. These violations have caused or can cause excess emissions of particulate matter (PM), which is a surrogate for metal HAPs. PM, especially fine particulate matter, contributes to respiratory problems and lung damage.

12/21/18
Date


Edward Nam
Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Kathy Jones, certify that I sent a Notice of Violation and Finding of Violation, No. EPA-5-18-OH-03, by Certified Mail, Return Receipt Requested, to:

Kim Myers, Environmental Manager
Amsted Rail
3900 Bixby Road,
Groveport, Ohio 43125

I also certify that I sent copies of the Notice of Violation and Finding of Violation by email to:

Amy Kosbab, Environmental Engineer
Amsted Rail
3900 Bixby Road
Groveport, Ohio 43125
AKosbab@griffinwheel.com

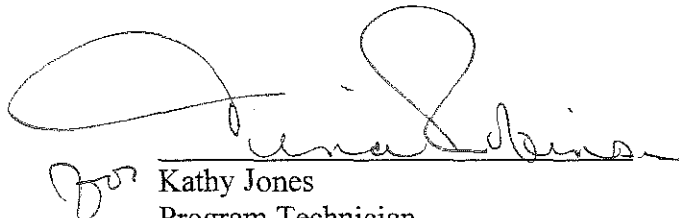
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On the 26th day of December 2018


For Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 70170660000036618458

